PSC NEWS
Missouri Public Service Commission

| Contact: Kevin Kelly | Phone: (573) 751-9300 | *Governor Office Building, Suite 900* |
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UNSCHEDULED WINTER NATURAL GAS FILING
APPROVED FOR LACLEDE GAS COMPANY

Jefferson City (February 22, 2001)---Natural gas customers of Laclede Gas Company will experience a **decrease** in natural gas rates under an unscheduled winter season filing approved by the Missouri Public Service Commission. The reduction will take effect February 23, 2001. **This filing reflects a reduction in the wholesale cost of natural gas and eliminates approximately 64 percent of the increase under Laclede's unscheduled winter filing that went into effect on January 29, 2001.**

A residential customer currently pays $0.91311 per therm (100 cubic feet of gas). Under this filing, the rate will drop to $0.75311 per therm, a decrease of approximately 16 cents per therm. A residential customer using 159 therms in March can expect to see a decrease of approximately $25 in March as a result of this filing.

Approximately 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas (the cost your local natural gas company must pay to its supplier for natural gas) is not regulated by the Missouri Public Service Commission.   The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does have regulatory review authority to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.**

Laclede Gas Company serves approximately 619,000 natural gas customers of the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.

Consumers are invited to access the Commission's website (www.psc.state.mo.us) for the monthly natural gas report. This report contains natural gas information on issues such as futures prices and United States storage levels.

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